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S E C R E T SECTION 01 OF 04 CARACAS 002367

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E.O. 12958: DECL: 08/09/2016
TAGS: [PREL](#) [PGOV](#) [KDEM](#) [VE](#) [CU](#)
SUBJECT: CASTRO'S ILLNESS; IMPACT ON THE BRV, ON BRV-GOC
RELATIONS

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Classified By: Classified by CDA Kevin Whitaker for reason 1.4(d.)

Summary

¶1. (S/NF) BRV reaction to the announcement of Castro's illness and recovery directly mirrored that of the Cuban regime. There is no reason to believe that the fundamentals of the Cuba-Venezuela relationship -- with Venezuela providing huge resource flows, and the Cubans providing tens of thousands of "advisors" -- will change through the medium term. Castro's absence from the scene will deprive Chavez of an avuncular presence and a proven crisis manager, which may increase Chavez' vulnerability. In the event of Castro's permanent departure from the scene, the mercurial Chavez may become even more unpredictable. Chavez may believe his regime's survival is tied to that of a Castroite successor government, and under a conceivable set of circumstances might even be willing to deploy Venezuelan military assets in support of a successor regime. Embassy believes this would be an apt moment to warn the BRV against intervening in Cuba during its transition. End summary.

Initial BRV Reactions to Castro Announcement

¶2. (U) Initial Bolivarian Republic of Venezuela (BRV) reaction to the news of Castro's illness and temporary hand-over of power has been limited to parroting the Cuban line. Speaking on August 1 in Vietnam, Chavez seemed a bit taken by surprise and uninformed, but said he had talked to Cuban officials who assured him that Castro "would return to his job in some weeks." The same day, the Venezuelan Foreign Ministry announced that they "had received, with satisfaction, news from Cuban authorities" that Castro was

recuperating. Vice President Jose Vicente Rangel similarly said that he spoke with his Cuban counterpart Carlos Lage and Cuban Foreign Minister Felipe Perez Roque, who assured him that the Cuban leader was recovering normally.

¶3. (S/NF) Chavez returned to Caracas on August 3, apparently without stopping in Havana. SIMO reports indicate that he had wanted to do so, but the Cubans waved him off, fearing that his presence would undercut their efforts to convey a sense of normality. Chavez got the point; during his August 6 "Alo Presidente," Chavez said he had learned out that Castro was up and talking, and expressed his confidence that the Cuban leader would be back in action soon. Interestingly, Chavez did not suggest he'd spoken personally to Castro. Too, he engaged in a lengthy digression about his appreciation for being able to meet and work with a hero from his youth. Certainly it was not his intention, but this part of Chavez' comments took on the tone of an elegy.

Speculation on Raul-Chavez Relations

¶4. (C) Regardless of whether Fidel is alive or not, it would appear that Raul will continue to play a larger role than in the past. Public and other sources have included speculation about the lack of chemistry between Chavez and Raul Castro. While we question the reliability of such judgments, because it's unclear to us the basis for reaching them, they are worth being aware of. Americo Martin, a former Venezuelan Communist close to the Castros in the 1970s, told El Universal that the younger Castro views Chavez with distrust and caution. Former Venezuelan Ambassador and ubiquitous international relations analyst Julio Cesar Pineda told poloff August 8 that he has heard that Chavez is close to FM Perez Roque, and VP Lage, who it would appear are going

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to continue to play important roles in Cuba. Exiled Cuban intellectual Carlos Alberto Montaner probably made the most relevant observation in noting that Raul and Chavez lack the emotional ties that bind Fidel and Chavez.

What Does it Mean for Venezuela?

¶5. (C) While there are a number of unknowns in the equation, there is no reason to believe much will change in the bilateral relationship in the short to medium term. Both countries derive benefits from the relationship. Cuba benefits from the millions in oil and transfer payments for services rendered; Venezuela benefits from the advice of Castro and tens of thousands of "trainers" and doctors. Apparent Cuban influence in Venezuela has grown dramatically, to the point that opposition Venezuelans sardonically refer to "Venecuba" or "Cubazuela" (both forms are acceptable). Chavez relies heavily on Cuban advisors to implement programs that are one of the keys to his political success. We assess there could be as many as 40,000 Cubans currently in Venezuela, managing, guiding, and implementing Chavez' social missions (e.g., Barrio Adentro medical program, Mision Robinson literacy program, Mercal state-owned grocery chain, etc.) Rumors swirl about Cubans taking central roles in sensitive government functions, including in Chavez' personal security, the military, the National Electoral Council, the national identification Office, even land titling offices. None of that is going to change soon. The Bolivarian regime is deriving political and organizational benefit from it, and the Cubans are getting paid hard currency for it.

¶6. (S/NF) We judge that Chavez will also want to continue Venezuela's generous petroleum support to Cuba, which we currently estimate at 98,000 barrels per day, worth at least \$7 million a day, or \$2.5 billion a year. SIMO reporting indicates that Chavez directed that his staff find ways of increasing resource flows to Cuba. We can think of two motivations Chavez might have in increasing cash flow to

Cuba: first, to help a friend in need; the one thing he has is cash, and he can give more of it. Second, it may also be true that Chavez is looking to bump up transfer payments in order to increase his influence in Cuba at this critical moment. The economic assistance could become a problem, however, if the egoistic, increasingly intrusive Chavez used it to promote his own candidate in any ensuing power struggle, prolonging the infighting and delaying a democratic transition.

How Does Chavez Act if Castro is Debilitated or Dead?

¶7. (S/NF) Castro's prolonged convalescence or even death is likely to cause headaches for the region and roil bilateral relations. Some argue that Castro has had a moderating influence on Chavez, and so he'll really let go if Castro is gone. The predicate seems wrong to us. It's hard to see much moderation in Chavez' recent behavior: open interventionism and tendency to pick fights with leaders throughout the hemisphere, his embrace of pariah states (including especially the vote for Iran at the IAEA and the apparent endorsement of the DPRK's July 4 missile launches), and his government's relentless assault on basic freedoms within Venezuela. It may be closer to the mark to observe that Castro is one of the few people who could contradict Chavez or give him news he didn't want to hear. We've received numerous reports that Chavez is left surrounded by yes-men, because he simply won't accept bad news or criticism. The absence of Castro -- to Chavez, respected and avuncular -- could make the mercurial Chavez even more

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unpredictable and radical.

¶8. (S/NF) Over time, Chavez will probably move toward assuming the mantle as (in Castro's words) "my successor to advance social revolution." Chavez will need to work this issue slowly, as he does not wish to suggest prematurely that Castro is dead and inadvertently cause problems for -- or with -- any successor Castroite regime. That said, Chavez has neither the intellectual candlepower nor the international environment to replicate Castro's rise to international prominence. That doesn't mean he won't try, and he'll play his best card -- oil wealth -- whenever he needs to. And whatever the force of his arguments, his checkbook is going to speak loudly.

¶9. (S/NF) We should be particularly mindful that Chavez will be a committed advocate of the continuation of a repressive regime in Cuba. Chavez has been on a losing streak, with the electoral results in Peru and (it seems) in Mexico; were Cuba now to turn toward democracy, Chavez would be increasingly isolated as the sole radical leftist in the hemisphere. Chavez may believe that the survival of his regime is tied to that of the Castro regime.

¶10. (S/NF) There are some even more troubling scenarios that one can play out in this regard. Chavez has said as recently as this April that he'd be willing to spill Venezuelan blood to save the Cuban regime (although he was speaking about a U.S. invasion). Were there to be an internal civil conflict in Cuba, we believe it possible that Chavez would consider intervening militarily on the side of pro-regime elements. It is not clear to us that such an intervention would be militarily effective, but the presence, or even threat, of a Venezuelan force in Cuba would have important implications for Cuba and for us. Perhaps the most likely scenario would have the Venezuelans providing lift capability to loyalist troops; the Venezuelan Armed Force (FAV) does retain some fixed-wing and rotary lift capability. That said, a Venezuelan navy troopship regularly plies between Venezuela and Cuba, and could conceivably be used to move FAV troops to the island.

(11. (C) Comment: As noted in previous email traffic,

Embassy suggests that this may be an apt time to warn the BRV against intervening in Cuba.)

An Achilles' Heel?

¶12. (S/NF) These are some fairly gloomy scenarios. We can conceive how Castro's absence might actually make Chavez more vulnerable. Hugo Chavez is a master tactician, regularly assessing the domestic political situation better and faster than the opposition, and making moves to box in his democratic opponents. What Chavez is less good at is crisis management. To take a recent example, Chavez' first instinct to go to Castro's sickbed was wrong, because it would have undercut the regime's "all is well" line. There are historical examples, of Chavez cracking under pressure. In both the 1992 and the 2002 failed coups, evidence suggests that Chavez lost his nerve at key moments. His military colleagues were willing to fight on in 1992 when he was holed up in the Military Museum, but he surrendered them all. In 2002, a weepy Chavez was reportedly ready to sign the letter of resignation and flee to Cuba. Castro has proved his worth to Chavez as a proxy crisis manager. It was Castro who told Chavez to fight on in 2002, and it was Castro who worked the phones to reassemble a pro-Chavez consensus in the armed forces. In 2004, as the recall referendum approached, it was Castro who conceived and executed the "misiones" plan to buck

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up Chavez' popularity. In Cuba, from the Cuban Missile Crisis to Mariel to the Maleconazo to the Special Period, Fidel Castro has proven himself to be a superb crisis manager. Should Chavez confront a thorny crisis, especially a domestic crisis, he may suffer significantly from the loss of Castro's steady hand at his back. This, in turn, could be an advantage for us in our efforts to urge a return to full democracy in Venezuela.